

**MR INTERNATIONAL, LLC
SALON LOTION RESALE AGREEMENT**

1. **Parties.** This Salon Lotion Resale Agreement (“Agreement”) is made between _____ (“Salon”) and **MR INTERNATIONAL, LLC** (“MR”).

2. **Term.** This Agreement shall begin _____, 200_ and end _____, 20__ (“Term”) unless otherwise terminated pursuant to its terms.

3. **Price and Products.** This Agreement shall cover MR’s tanning lotion products (the “Products”) at the prices as set forth in the MR’s Associate Member price list at the date of execution of this Agreement.

4. **Exclusivity and Territory.**

MR grants to Salon for the term of this Agreement the exclusive right to purchase the Products only for resale to Customers (as defined herein) throughout:

(the “Territory”) and, without limitation, subject to the restrictions of this Agreement. “Customers” shall mean **only** individuals purchasing the Products while physically in the retail location (i.e. end-users at the salon location). MR shall have the right to request copies of business records verifying Salon’s compliance with this provision. Salon shall promptly and reasonably make such records available to MR.

5. **No Unauthorized Sales.**

Salon understands and agrees that it may only sell the Products to Customers, and Salon shall not, without limitation, sell the Products over the Internet nor to retail and wholesale stores and outlets, beauty supply stores and outlets, cosmetic stores and outlets, drugstores, flea markets, individuals owning a home tanning bed, or any other self-service environment. Further Salon understands and agrees that it may not sell the Products to anyone who it knows, or has reason to know, will provide or resell the Products over the internet. Salon acknowledges that selling any one customer excessive amounts (more than can be individually consumed or gifted) of the Products is a reason to know that the customer is reselling the Products in violation of this Agreement. Additionally, Salon shall not resell the Products outside the Territory. In the event Salon violates this provision, MR may immediately terminate this Agreement, enforce the provisions of this Agreement, and may seek any other remedy to which MR may be entitled under the law.

6. **Purchase Minimum**

In the event the Salon Purchases are less than the Purchase Minimum of \$_____ (USD) during the Term, then MR may revoke Salon’s exclusivity in the Territory. In the event MR renews this Agreement, then after the initial Term, MR may reasonably adjust the Purchase Minimum at the commencement of each subsequent term.

7. **Termination**

(a) **Salon Primary defaults.** In addition to all other remedies provided herein and at law, MR may, at any time, upon written notice to Salon, immediately terminate this Agreement if: (i) Salon violates Section 4 of this Agreement; or (ii) Salon fails to pay any MR invoice when due.

(b) **Termination for Convenience.** Either party may terminate this Agreement for any reason and at any time with ninety (90) days advance written notice to the other party.

(c) Other defaults. For all defaults other than those set forth in Section 7(a) – (b), either party may terminate this Agreement, if the other party fails to cure its non-compliance within thirty (30) days of written notice from the non-breaching party of such noncompliance.

(d) Consequences of Termination for Any Reason. Immediately upon a termination for any reason, and without notice or request to Salon: (i) Salon shall cease all use of MR intellectual property (example advertising images); and (ii) Salon shall settle all accounts and/or outstanding balances with MR.

8. **LIQUIDATED DAMAGES FOR UNAPPROVED SALE.** (i) SALON ACKNOWLEDGES THAT, AS AN ESSENTIAL PART OF THIS AGREEMENT, MR IS RELYING UPON SALON TO COMPLY WITH SECTION 4 OF THIS AGREEMENT. FURTHER, SALON AGREES THAT THE UNAUTHORIZED RESALE OF THE PRODUCTS IS LIKELY TO CAUSE SUBSTANTIAL DAMAGE NOT ONLY TO MR'S IMAGE AND REPUTATION, BUT ALSO TO THE GOOD WILL AND IMAGE OF THE PRODUCTS, AND THAT SUCH DAMAGES TO MR WILL BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO ASCERTAIN. BASED UPON THE FACTS KNOWN BY THE PARTIES AT THE TIME OF THIS AGREEMENT, SALON AGREES THAT IN THE EVENT SALON RESELLS THE PRODUCTS IN VIOLATION OF SECTION 4 AND IN ADDITION TO ANY OTHER REMEDIES MR MAY HAVE AGAINST SALON, SALON AGREES TO BE LIABLE FOR AND PAY TO MR AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY, THE AMOUNT OF FIVE THOUSAND DOLLARS (\$5,000.00) PER EACH SEPARATE BREACH.

(ii) REASONABLENESS. SALON HAS CAREFULLY READ AND CONSIDERED THE PROVISIONS OF THIS SECTION, AND AGREES THAT THIS LIQUIDATED DAMAGES PROVISIONS IS FAIR AND REASONABLE AND IS REASONABLY REQUIRED FOR THE PROTECTION OF THE INTERESTS OF THE MR, ITS MEMBERS, AND DIRECTORS. IN THE EVENT THAT, NOTWITHSTANDING THE FOREGOING, ANY OF THE PROVISIONS OF THIS SECTION (OR ANY PORTION THEREOF) SHALL BE HELD TO BE INVALID OR UNENFORCEABLE IN ANY PARTICULAR JURISDICTIONS AND CIRCUMSTANCES AND THE REMAINING PROVISIONS OF THIS SECTION AND OF THIS AGREEMENT SHALL NEVERTHELESS CONTINUE TO BE VALID AND ENFORCEABLE AS THOUGH THE INVALID OR UNENFORCEABLE PARTS HAD NOT BEEN INCLUDED THEREIN.

9. **LIMITATION OF LIABILITY.** IN NO EVENT WILL MR BE LIABLE FOR LOSS OF PROFITS, OR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, HOWEVER CAUSED, ARISING OUT OF THE SALE TO OR USE BY SALON OF THE PRODUCTS OR TERMINATION OF THIS AGREEMENT. Salon has accepted this restriction on its right to recover special, incidental, or consequential damages as part of its bargain with MR. Salon realizes and acknowledges that the price of the goods would be higher if MR were required to be responsible for Salon's special, incidental, or consequential damages.

10. **Relationship Between the Parties.** Each party hereto acknowledges that the relationship between all parties is that of an independent contractor and not that of principal/agent or an employee/employer. Each party agrees (i) to compensate any person, agent, contractor or subcontractor it hires to perform duties under this Agreement, and (ii) Salon nor any of its respective agents are authorized to make any warranty or assume any other obligation, responsibility or liability for MR in connection with the sale or use of any of the MR Products other than as specifically authorized in writing by MR. Further, the term "Partner" used herein merely means that the parties are working together and is not intended to create a legal entity "partnership" of any kind or to impose any fiduciary duties between MR and Salon.

11. **No Assignment.** This Agreement shall not be assignable by Salon nor shall Salon delegate its duties hereunder, and any attempt to do so shall be of no force or effect. Any change in the ownership of

Salon's business or any change in the principal employees of Salon shall be deemed to be an assignment in contravention of this section. This Agreement may be assigned by MR to a successor.

12. **Choice of Laws: Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, exclusive of its choice-of-law principles. Salon submits to the jurisdiction of the state and federal courts in the County of Los Angeles, State of California and agrees that the venue of any action or proceeding shall be only in a Court in the County of Los Angeles, State of California and waives any claim that such venue is an inconvenient forum.

13. **Severability.** If a court of competent jurisdiction described above makes a final determination that any provision of this Agreement (or any portion thereof) is invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby, and to the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

14. **Waiver.** No failure or delay by either party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power or privilege hereunder.

15. **Attorney Fees.** In any litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded its reasonable attorney fees, and costs and expenses incurred.

16. **Complete Agreement.** This Agreement is intended by the parties as a final expression of their Agreement with respect to the terms included herein, and may not be contradicted or varied by evidence of any prior or contemporaneous agreement. All prior negotiations, correspondence, memoranda and agreements, whether oral or written, are merged herein. Any modification or waiver of any breach of this Agreement shall not be binding on MR unless executed in writing and signed by a duly authorized executive officer of MR.

IN WITNESS WHEREOF, the parties have duly executed this Agreement in duplicate on the date set forth above their names.

Dated:

Dated:

Salon:

MR International, LLC

By: _____

By: _____

Name:

Name: Max Recone

Title:

Title: General Manager